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FM AMEMBASSY JAKARTA
TO RUEHC/SECSTATE WASHDC 8329
RUCPDOC/USDOC WASHDC 1515
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UNCLAS JAKARTA 000522

STPDTS

SIPDIS

DEPT FOR EAP/IET, PM/DTCC/BLUE LANTERN COORDINATOR - TIM WATKINS

E.O. 12958: N/A

TAGS: KOMC ETTC ECON ID

SUBJECT: BLUE LANTERN LEVEL 3: RESULT POST-SHIPMENT END-USE CHECK ON LICENSES 05055257 AND 050028272

REF: SECSTATE 008856

- 11. Summary. The Indonesian Air Force confirmed receipt of spare parts listed in reftel and that they are being used for the purpose stated on the license. We conducted a site visit to Indonesian firm PT Wira Kreasi Persada (Wira) and it appears to be a reliable recipient of United States Munitions List (USML) items. End summary.
- 12. We visited PT Wira Kreasi Persada on March 5, 2008 and met the President Director Budiman Prawira and Operation Manager Bustaman Prawira to verify the order of items listed in reftel. Bustaman confirmed that his company received the order in 2007 for nuts, bolts, screws and other parts from the IAF for their C-130 Hercules aircraft. Bustaman provided us with contract documentation between IAF and Wira signed by both parties. Bustaman also noted that his company was aware of restrictions on USML articles, particularly those that are re-exported. Bustaman said that the items were delivered to IAF in October 2007.
- 13. PT Wira Kreasi Persada was established in 1998 as a trading operation. Its core business is supplying fuel filters to state-owned oil company PERTAMINA. The company started supplying aircraft spare-parts to the IAF four years ago. It also acts as a sales representative for several international suppliers, including US-based Arrow Dynamics and Singaporean Inovo Tech and Control Supply. Wira has 11 employees located at a four story office building in central Jakarta.
- 14. Bustaman said that orders from IAF are typically delivered directly to the IAF warehouse. IAF uses its own expediter for shipment of items from the airport to their warehouse. However, in some cases the shipments are stored in a room at Wira's office for no more than one day before Wira delivers the items. Bustaman said his company only supplies small spare parts and the office is guarded by two employees who live on the top floor of the office building, a common practice in Indonesia.
- 15. We also contacted IAF Air Vice Marshal Sunaryo on February 4, 2008 and confirmed that IAF received both orders detailed in reftel. He verified that Wira is a registered company on the IAF supplier list.

HUME